

**Monthly Operating Report
ACCRUAL BASIS**

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127
JUDGE:	Bill Parker

**UNITED STATES BANKRUPTCY COURT
NORTHERN & EASTERN DISTRICTS OF TEXAS**


REGION 6

MONTHLY OPERATING REPORT


MONTH ENDING: 30-Jun 2017
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. HOWEVER, THESE ARE INTERNALLY PREPARED FINANCIAL STATEMENTS, THEY HAVE NOT BEEN BUT ARE CURRENTLY IN THE PROCESS OF BEING AUDITED BY AN EXTERNAL ACCOUNTING FIRM. ADDITIONALLY THE FINANCIAL INFORMATION PRESENTED IN THIS MONTHLY REPORT MAY NOT HAVE BEEN PREPARED IN ACCORDANCE WITH GAAP. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

	CRO
_____ ORIGINAL SIGNATURE OF RESPONSIBLE PARTY	_____ TITLE
Bryan M. Gaston	2-Aug-17
_____ PRINTED NAME OF RESPONSIBLE PARTY	_____ DATE

PREPARER:

	CRO
_____ ORIGINAL SIGNATURE OF PREPARER	_____ TITLE
Bryan M. Gaston	2-Aug-17
_____ PRINTED NAME OF PREPARER	_____ DATE

Monthly Operating Report
ACCRUAL BASIS-1

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

COMPARATIVE BALANCE SHEET

	SCHEDULE AMOUNT	April	May	June
ASSETS				
1. UNRESTRICTED CASH	\$174,565	\$415,386	\$139,152	\$1,643,750
2. RESTRICTED CASH	\$0	\$0	\$0	\$0
3. TOTAL CASH ⁽¹⁾	\$174,565	\$415,386	\$139,152	\$1,643,750
4. ACCOUNTS RECEIVABLE (GROSS) ⁽²⁾	\$48,725	\$36,382,471	\$32,600,687	\$28,318,549
5. INVENTORY ⁽⁶⁾	\$3,143,777	\$6,438,563	\$6,438,563	\$6,438,563
6. NOTES RECEIVABLE	\$0	\$0	\$0	\$0
7. PREPAID EXPENSES	\$0	\$224,431	\$224,431	\$224,431
8. OTHER (ATTACH LIST) ⁽³⁾	\$6,797,893	\$6,797,893	\$6,797,893	\$6,797,893
9. TOTAL CURRENT ASSETS	\$10,164,960	\$50,258,743	\$46,200,725	\$43,423,186
10. PROPERTY, PLANT & EQUIPMENT	\$955,733	\$3,617,079	\$3,617,079	\$3,630,053
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	\$0	(\$2,776,012)	(\$2,832,243)	(\$2,887,365)
12. NET PROPERTY, PLANT & EQUIPMENT	\$955,733	\$841,067	\$784,836	\$742,688
13. DUE FROM INSIDERS	\$0	\$0	\$0	\$0
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	\$0	\$0	\$0	\$0
15. OTHER (ATTACH LIST) ⁽¹⁾	\$863,580	\$631,959	\$631,959	\$631,959
16. TOTAL ASSETS	\$11,984,273	\$51,731,770	\$47,617,521	\$44,797,833
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$37,122,489	\$38,745,152	\$40,004,038
18. TAXES PAYABLE		\$0	\$0	\$0
19. NOTES PAYABLE		\$0	\$0	\$0
20. PROFESSIONAL FEES ^(3a)		\$1,645,979	\$1,711,036	\$1,653,165
21. SECURED DEBT ^(3b)		\$0	\$0	\$0
22. OTHER (ATTACH LIST) ⁽⁵⁾		\$27,676,101	\$29,193,910	\$30,874,556
23. TOTAL POSTPETITION LIABILITIES		\$66,444,569	\$69,650,098	\$72,531,758
PREPETITION LIABILITIES				
24. SECURED DEBT ⁽⁴⁾	\$185,510,697	\$0	\$0	\$0
25. PRIORITY DEBT	\$0	\$0	\$0	\$0
26. UNSECURED DEBT	\$4,343,757	\$2,016,360	\$2,016,360	\$2,016,360
27. OTHER (ATTACH LIST) ⁽⁵⁾	\$0	\$54,532,767	\$54,532,767	\$54,532,767
28. TOTAL PREPETITION LIABILITIES	\$189,854,454	\$56,549,127	\$56,549,127	\$56,549,127
29. TOTAL LIABILITIES	\$189,854,454	\$122,993,696	\$126,199,224	\$129,080,885
EQUITY				
30. PREPETITION OWNERS' EQUITY		(\$5,593,086)	(\$5,593,085)	(\$5,593,084)
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(40,924,371)	(48,222,084)	(48,222,084)
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		(24,744,469)	(24,766,535)	(30,467,884)
33. TOTAL EQUITY		(\$71,261,926)	(\$78,581,704)	(\$84,283,052)
34. TOTAL LIABILITIES & OWNERS' EQUITY		\$51,731,770	\$47,617,521	\$44,797,833

Previously published (Total Assets/Total Liabilities & Equity) \$ 51,731,769.5 \$ 47,617,521.0
Difference -

Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments.

Monthly Operating Report
ACCRUAL BASIS-1

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

BALANCE SHEET ACCOUNT ANALYSIS

- (1) Reserved
- (2) Includes intercompany amounts owed from co-debtor and other related parties as well as third party receivables.
- (3) Account balance is comprised entirely of a promissory note owed from affiliated debtor TPI for sale of real property. Additionally the \$6.8 mil is included in Gross AR on Page 4.
- (3a) Approximately \$7.0 mil of professional fees have been incurred inception to date across both TPI and GPTX. Amounts presented as payable on the balance sheet are not proper accruals but rather actual invoices recorded into the debtors' books and records regardless of the period to which the fees relate. See Page 6 for additional detail.
- (3b) Debtor is a co-borrower under a \$28.744 mil post petition DIP loan agreement, as amended. The DIP loan balances outstanding were \$16.1 mil, \$21.8 Mil. and \$26.3 mil as of the months ended April, May and June 2017, respectively, and are presented on affiliated Debtor TPI's books and records.
- (4) GPTX is not an obligor or co-borrower on pre-petition bond debt. Schedules to be amended accordingly as required.
- (5) The implementation of a new accounting system has allowed for improved ability to differentiate between pre and post petition intercompany accounts payable. Beginning in Oct and continued in Nov the entire amount of "other" accounts payable represents the monthly accumulation of a \$1.7 mil/mon "Borrowing Charge" assessed by affiliate TPI to debtor GPTX, LLC.
- (6) Reserved

PROFIT & LOSS ACCOUNT ANALYSIS

- (1) GPTX's only revenue is through intercompany sales to affiliated debtor TPI. Contracts between the parties are structured to result in GPTX being a pass through, breakeven entity. Only non passed through expense beginning Oct is the \$1.7 mil borrowing expense assessed on GPTX by affiliate debtor TPI.
- (1a) GPTX, LLC is not an obligor or co-borrower on pre-petition bond debt owed by TPI. Company will amend schedules accordingly as required.
- (1b) \$1.7 mil of amount presented represents non-cash "borrowing charges" accrued for affiliate debtor TPI's interest on debt.
- (2) \$7.0 mil in total, an aggregate of professional fees for both GPTX and its affiliate debtor TPI, have been incurred from inception of the case through June, 2017. These fees have not been properly accrued on the debtor's books and records. Accordingly, amounts shown represent when professional invoices were actually received and recorded on the debtor's books and records. Through Feb 2017 the debtors had been incurring approximately \$500,000 per month in total professional fees. This has increased as a result of back to back casualty events at the end of February 2017 and in April and May 2017. GPTX has paid all professional fees incurred for both itself and its affiliate debtor TPI. See Page 6 for a further breakdown by professional.
- (3) Represents management service fees due to German Pellets GmbH.
- (4) Represents insurance recoveries received in May for claims made with respect to a casualty loss incurred in February 2017. See Income Statement FN (8).
- (5) Represents costs associated with two separate incidents which occurred in February and April 2017. Debtor began to incur costs associated with the removal of pellets damaged when loading equipment caught fire on April 15, 2017 while loading pellets on a merchant vessel at the Debtor's facilities at the port of Port Arthur, Texas. In addition, subsequent costs also include efforts to control an incident when, in April, the Debtors detected a smoldering burn (the "Silo Burn") in Silo #2 ("Silo #2") at the pellet storage facility at the port. Shortly after discovering the Silo Burn, the Debtors and their disaster recovery specialist began taking various steps to extinguish the Silo Burn, to extract the wood pellets, and, ultimately, to preserve Silo #2 as a working silo at the storage facility. On June 4, 2017, Silo #2 experienced a structural failure.

Monthly Operating Report
ACCRUAL BASIS-2

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

INCOME STATEMENT	April	May	June
REVENUES			
1. GROSS REVENUES ⁽¹⁾	1,849	-	-
2. LESS: RETURNS & DISCOUNTS	\$0	\$0	\$0
3. NET REVENUE	\$1,849	\$0	\$0
COST OF GOODS SOLD			
4. MATERIAL	\$69,427	(\$8,448)	\$54
5. DIRECT LABOR	\$0	\$0	\$0
6. DIRECT OVERHEAD	\$0	\$0	\$0
7. TOTAL COST OF GOODS SOLD	\$69,427	(\$8,448)	\$54
8. GROSS PROFIT	(\$67,578)	\$8,448	(\$54)
OPERATING EXPENSES			
9. OFFICER / INSIDER COMPENSATION ⁽³⁾	\$115,169	\$94,842	\$89,371
10. SELLING & MARKETING	\$0	\$0	\$0
11. GENERAL & ADMINISTRATIVE	\$1,174,736	\$1,271,535	\$575,215
12. RENT & LEASE	\$99,749	\$75,514	\$53,537
13. OTHER (ATTACH LIST)	\$0	\$0	\$0
14. TOTAL OPERATING EXPENSES	\$1,389,654	\$1,441,891	\$718,123
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	(\$1,457,232)	(\$1,433,443)	(\$718,177)
OTHER INCOME & EXPENSES			
16. NON-OPERATING INCOME (ATTACH LIST) ⁽⁴⁾	\$0	(\$1,830,885)	\$0
17. NON-OPERATING EXPENSE (ATTACH LIST) ⁽⁵⁾	\$1,559,644	\$5,161,855	\$2,401,828
18. INTEREST ^(1a)	(\$13,029)	(\$13,029)	(\$13,029)
19. DEPRECIATION / DEPLETION	\$56,231	\$56,231	\$55,121
20. AMORTIZATION	\$0	\$0	\$0
21. OTHER (ATTACH LIST) ^(1b)	\$1,700,000	\$1,700,000	\$1,700,000
22. NET OTHER INCOME & EXPENSES	\$3,302,845	\$5,074,171	\$4,143,920
REORGANIZATION EXPENSES			
23. PROFESSIONAL FEES ⁽²⁾	\$597,302	\$790,099	\$557,742
24. U.S. TRUSTEE FEES	\$0	\$0	\$0
25. OTHER (ATTACH LIST)	\$0	\$0	\$0
26. TOTAL REORGANIZATION EXPENSES	\$597,302	\$790,099	\$557,742
27. INCOME TAX	\$0	\$0	\$0
28. NET PROFIT (LOSS)	(\$5,357,380)	(\$7,297,712)	(\$5,419,840)

Previously published Net Profit (Loss)	\$	(5,344,416.0)	\$	(7,027,980.0)
Difference		(12,964)		(269,732)

Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments.

**Monthly Operating Report
ACCRUAL BASIS-3**

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

CASH RECEIPTS AND DISBURSEMENTS	April	May	June
1. CASH - BEGINNING OF MONTH	\$ 298,580.2	\$ 415,385.7	\$ 139,152.5
RECEIPTS FROM OPERATIONS			
2. CASH SALES	-	-	-
COLLECTION OF ACCOUNTS RECEIVABLE			
3. PREPETITION	-	-	-
4. POSTPETITION ⁽¹⁾	-	199,716.3	-
5. TOTAL OPERATING RECEIPTS	-	199,716.3	-
NON-OPERATING RECEIPTS			
6. LOANS & ADVANCES (ATTACH LIST) ⁽⁶⁾	3,501,852.5	3,608,345.3	4,295,166.4
7. SALE OF ASSETS	-	-	-
8. OTHER ⁽⁷⁾	-	1,830,884.9	4,001,883.9
9. TOTAL NON-OPERATING RECEIPTS	3,501,852.5	5,439,230.3	8,297,050.3
10. TOTAL RECEIPTS	3,501,852.5	5,638,946.5	8,297,050.3
11. TOTAL CASH AVAILABLE	\$ 3,800,432.6	\$ 6,054,332.2	\$ 8,436,202.8
OPERATING DISBURSEMENTS			
12. NET PAYROLL	\$ 311,813.8	\$ 299,692.0	\$ 245,123.8
13. PAYROLL TAXES PAID	82,887.2	79,665.0	104,650.0
14. SALES, USE & OTHER TAXES PAID	-	-	-
15. SECURED / RENTAL / LEASES	-	-	-
16. UTILITIES	55,382.1	562,844.8	133,406.3
17. INSURANCE	56,336.0	22,548.8	22,477.7
18. INVENTORY PURCHASES ⁽⁵⁾	314,700.5	-	-
19. VEHICLE EXPENSES	105,442.7	77,761.8	92,302.2
20. TRAVEL	-	-	-
21. ENTERTAINMENT	-	-	-
22. REPAIRS & MAINTENANCE	252,231.1	327,953.7	339,993.8
23. SUPPLIES	-	-	-
24. ADVERTISING	-	-	-
25. OTHER ^{(3) (8)}	2,143,992.3	3,166,080.0	5,323,587.6
26. TOTAL OPERATING DISBURSEMENTS	3,322,785.7	4,536,546.1	6,261,541.3
REORGANIZATION EXPENSES			
27. PROFESSIONAL FEES ⁽⁴⁾	42,261.3	1,378,633.6	530,911.4
28. U.S. TRUSTEE FEES	20,000.0	-	-
29. OTHER (ATTACH LIST) ⁽²⁾	-	-	-
30. TOTAL REORGANIZATION EXPENSES	62,261.3	1,378,633.6	530,911.4
31. TOTAL DISBURSEMENTS	3,385,047.0	5,915,179.7	6,792,452.7
32. NET CASH FLOW	116,805.5	(276,233.2)	1,504,597.5
33. CASH - END OF MONTH	\$ 415,385.7	\$ 139,152.5	\$ 1,643,750.0

Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments.

⁽¹⁾ Represents receipts from affiliated debtor GPLA Case No 16-80162 for monthly shared services settlement arrangement covering port facilities usage and reimbursement of casualty insurance premiums, property taxes and employee health insurance premiums.

⁽²⁾ Reserved

⁽³⁾ May 2017 Includes MSA fees of \$120K to debtor affiliate GP GmbH as well as other small dollar non-recurring operational expenses.

⁽⁴⁾ See Page 6 for a detailed breakdown of fees paid by professional.

⁽⁵⁾ Represent amounts paid to affiliate GPLA for pellets under court authorized pellet purchase agreement.

⁽⁶⁾ Loans and advances represent (a) transfers received from affiliate debtor TPI to fund GPTX operations per pre-petition intercompany contracts and (b) advances under DIP loan. These amounts for May 2017 included a transfer of \$562K and a DIP loan draw paid directly to GPTX that was account for as principal draw on affiliate TPI's books of \$3.046 mil. Also, see FN 3b on page 2 concerning the DIP loan.

⁽⁷⁾ Represents insurance recoveries received in May for claims made with respect to a casualty loss incurred in February 2017. See Income Statement FN (8).

⁽⁸⁾ May 2017 is comprised primarily ship loader fire (Ranger for \$573K) and silo fire related costs (Cotton for \$1.1 mil, Nitro Lift \$459K)

**Monthly Operating Report
ACCRUAL BASIS-4**

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	April	May	June
1. 0-30	-	14,775.7	-	-
2. 31-60	-	584,917.2	-	-
3. 61-90	-	54,622.7	12,926.4	-
4. 91+	27,315,389.2	42,513,019.0	39,385,653.1	35,116,442.5
5. TOTAL ACCOUNTS RECEIVABLE	27,315,389.2	43,167,334.6	39,398,579.5	35,116,442.5
6. AMOUNT CONSIDERED UNCOLLECTIBLE	27,266,663.7	22,129,623.7	22,129,623.7	22,129,623.7
7. ACCOUNTS RECEIVABLE (NET) ⁽²⁾	48,725.5	21,037,710.9	17,268,955.8	12,986,818.8

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: 30-Jun 2017		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE ⁽²⁾	\$6,084,680	\$0	\$0	\$35,572,523	\$41,657,203

STATUS OF POSTPETITION TAXES		MONTH: 30-Jun 2017			
FEDERAL ⁽¹⁾		BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
1.	WITHHOLDING				\$0
2.	FICA-EMPLOYEE	\$ -	\$ -	\$ -	\$ -
3.	FICA-EMPLOYER	\$ -	\$ -	\$ -	\$ -
4.	UNEMPLOYMENT	\$ -	\$ -	\$ -	\$ -
5.	INCOME	\$ -	\$ -	\$ -	\$ -
6.	OTHER (ATTACH LIST)	\$ -	\$ -	\$ -	\$ -
7.	TOTAL FEDERAL TAXES	\$ -	\$ -	\$ -	\$ -
STATE AND LOCAL					
8.	WITHHOLDING	\$ -	\$ -	\$ -	\$ -
9.	SALES	\$ -	\$ -	\$ -	\$ -
10.	EXCISE	\$ -	\$ -	\$ -	\$ -
11.	UNEMPLOYMENT	\$ -	\$ -	\$ -	\$ -
12.	REAL PROPERTY ^(1a)	\$ -	\$ -	\$ -	\$ -
13.	PERSONAL PROPERTY ^(1a)	\$ -	\$ -	\$ -	\$ -
14.	OTHER (ATTACH LIST)	\$ -	\$ -	\$ -	\$ -
15.	TOTAL STATE & LOCAL	\$0	\$0	\$0	\$0
16.	TOTAL TAXES	\$0	\$0	\$0	\$0

⁽¹⁾ All payroll taxes are funded to ADP bi-weekly with each payroll. ADP in turn remits funds to the IRS and applicable state agencies.

^(1a) In March 2017, Debtor paid property taxes of \$63,167, including penalties, due to Jefferson and Tyler counties for 2016.

⁽²⁾ Represent "gross" amounts including amounts owed to co-debtor TPI (i.e. net AR and AP between debtors GPTX to TPI has not been setoff). At Apr 30, 2017 the total AR owed to GPTX, LLC from TPI was \$25.2 mil, total post-petition AP owed by GPTX, LLC to TPI was \$34.7 mil.

Monthly Operating Report

ACCRUAL BASIS-5

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 30-Jun 2017

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	Account #4	
A. BANK:	Citizens State Bank	Citizens State Bank	Wells Fargo Bank NA	Wells Fargo Bank NA	TOTAL
B. ACCOUNT NUMBER:	4079	4183	0609	0617	
C. PURPOSE (TYPE):	chk acct (closed)	chk acct (closed)	checking account	checking account	
1. BALANCE PER BANK STATEMENT			\$1,821,375	\$3,058	\$1,824,433
2. ADD: TOTAL DEPOSITS NOT CREDITED			\$0	\$0	\$0
3. SUBTRACT: OUTSTANDING CHECKS			(\$181,120)	\$0	(\$181,120)
4. OTHER RECONCILING ITEMS ⁽¹⁾			\$0	\$0	\$0
5. MONTH END BALANCE PER BOOKS			\$1,640,255	\$3,058	\$1,643,313
6. NUMBER OF LAST CHECK WRITTEN ⁽²⁾			1753	N/A	

INVESTMENT ACCOUNTS	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER				
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$436
13. TOTAL CASH - END OF MONTH	\$1,643,750

⁽¹⁾ Reserved

Monthly Operating Report
ACCRUAL BASIS-6

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 30-Jun 2017

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS ⁽¹⁾				
NAME	TYPE OF PAYMENT	AMOUNT PAID	INCURRED & UNPAID (4)	TOTAL PAID TO DATE
1. German Pellets GmbH	MSA	\$75,082	\$15,000	\$1,652,071
2.				
3.				
4.				
5.				
6. TOTAL PAYMENTS TO INSIDERS		\$75,082	\$15,000	\$1,652,071

PROFESSIONALS ⁽²⁾					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1. Locke Lord	June 17, 2016	-	\$ 180,350.6	\$ 1,572,690.6	\$ 460,616.4
2. Opportune	May 24, 2016	-	271,717.0	2,434,906.0	\$ 821,058.4
3. Searcy & Searcy	May 20, 2016	-	13,418.4	134,121.4	24,942.4
4. Ireland, Carroll & Kelley	June 24, 2016	-	7,458.2	166,785.2	22,476.4
5. Guggenheim	July 28, 2016	-	82,653.9	1,027,573.4	181,753.0
6 RPA Advisors, LLC	May 23, 2017	-	-	-	200,189.2
7. TOTAL PAYMENTS TO PROFESSIONALS		\$ -	\$ 555,598.1	\$ 5,336,076.6	\$ 1,711,035.9

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS ⁽³⁾

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. UMB Bank	\$0	\$0	\$0
2.			
3.			
4.			
5.			
6. TOTAL	\$0	\$0	\$0

⁽¹⁾ Paid pursuant to court orders dockets 147, 178, and 234

⁽²⁾ See FN 3a page 1 Balance Sheet

⁽³⁾ Not applicable, only affiliate debtor TPI is borrower on pre-petition bond debt. Due to treasury and banking limitations early the case, debtor GPTX made interest payments on behalf of TPI for select months. TPI now pays interest directly.

⁽⁴⁾ Amount incurred but unpaid for the final week in June 2017, paid on July 7, 2017

⁽⁵⁾ Reserved

Monthly Operating Report
ACCRUAL BASIS-7

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 30-Jun 2017

QUESTIONNAIRE ⁽³⁾

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES? ⁽¹⁾	X	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY? ⁽⁵⁾		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? ⁽⁶⁾		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

- (1) Receivables owed by affiliate German Pellets Louisiana, LLC under pre-petition storage and handling agreement
- (2) All disbursements were originally made through Citizens State Bank accounts which were Debtor in Possession accounts; both CSB accounts were closed in August 2016. Two new Wells Fargo DIP accounts were established in early June 2016 to comply with UST requirements. All activity from July 2016 forward is expected to be through Wells Fargo DIP accounts.
- (3) There are various intercompany contracts between TPI and affiliated debtor GPTX, LLC Case No 16-90126. The contracts and the obligations under them have historically resulted in intercompany receivables and payables which are periodically adjusted for obligations owed between the parties. Additionally, TPI and affiliate GPTX are owed storage & handling fees from affiliate GPLA Case No 16-80163 under a pre-petition agreement
- (4) & (11) Reserved.
- (5) The Debtor is a co-borrower on \$28.7 mil in DIP financing with its affiliate debtor TPI. This financing was obtained in the months prior to May or June 2017. No incremental DIP financing was extended during June 2017. See FN 3b to balance sheet notes on Page 1.1.
- (6) Reserved.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Inland Marine	Harford Fire Insurance Co.	7/1/2016 - 7/1/2017	\$ 20,922.00 25% down pmt/9 installments
Workers Compensation	Texas Mutual	7/1/2016 - 7/1/2017	\$ 284,926.00 15% down pmt/10 installments
Property	Lloyd's, et al.	3/31/2017 - 3/31/2018	\$ 1,657,212.00 annual
Auto Liability	Berkshire Hathaway Homestate	8/19/2016 - 8/19/17	\$ 161,820.00 annual
Employment Practices Liability	Chubb	12/16/2016 - 12/16/2017	\$ 5,961.00 annual
General Liability	Illinois National Insurance Co.	1/1/2017 - 1/1/2018	\$ 67,899.00 annual
Umbrella	Travelers	1/1/2017 - 1/1/2018	\$ 89,600.00 annual
Pollution Liability	AIG Specialty Insurance Company	5/11/15 - 5/11/18	\$ 76,445.00 annual
Directors & Officers	Endurance American Insurance Company	1/1/2017 - 1/1/2018	\$ 65,000.00 annual
Boiler and Machinery	Travelers Property Casualty Insurance Co.	3/31/2017 - 3/31/2018	\$ 81,742.00 10 equal payments

- (1) Reserved
- (2) GPTX only policy
- (3) Policy is with either GPTX or TPI with other party listed as named insured
- (4) Policy with GmbH but both GPTX and TPI (among other non-debtor parties) are listed as co-insured

(1)
(2)
(1)
(2)
(1) (4)
(3) (4)
(2) (4)